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LETTER

FROM A

Burges and Guild Brother of Edinburgh,

TO HIS

FELLOW CITIZENS.

Printed by Mundell and Son, Royal Bank Close.



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*On the Subject of the late Publications, so far as they relate to
the CITY'S DEBT, its INCOME, and EXPENDITURE.*

WITH

Comparative Tables of the Statements by Mr. SMITH, an OLD MAGI-
STRATE, and the TOWN COUNCIL. *K* *J.*

EDINBURGH:

PRINTED FOR MUNDELL AND SON, ROYAL BANK CLOSE.

1799.



LETTER, &c.

Edinburgh, 24th Oct. 1799.

FELLOW CITIZENS,

THE late disputes in the Town Council have given us (what every one of us has long desired) some ground upon which we may form an opinion of the manner in which the affairs of this burgh are conducted. Accounts have been published of the Debt, the Income, and the Expenditure of the City, together with some other matters of importance regarding its management; contradictory indeed, but which, but for these disputes, might never have come to light. I hope it will not be deemed impertinent if I should offer you some remarks on those publications, with a view to direct your attention to acquire, if possible, a knowledge of the real state of the finances of the City, which can hardly be acquired by the Magistrates during the short time they remain in office, and of course the good or bad management of them is left to their official servants.

In performing this task, I shall steer entirely clear of all politics, and therefore shall only take notice of the following pamphlets, in so far as they relate to my object, taking no notice of the others which have been published on the subject of the present disputes.

1. Address to the Town Council, by Thomas Smith, Esq.

2. An Answer to Bailie Smith's Address, by an Old Magistrate.

3. An Answer to Mr. Smith's Address, published by Authority of the Town Council.

Of these, I shall pay little attention to the second, further than inserting the Old Magistrate's statements at the end of this letter, and have only at present to observe, that he has made an error in his own favour of 1000*l.* in his statement of the Town's expenditure; nor am I satisfied on what principle he deducts 4565*l.* from the gross amount of this statement being for borrowed money repaid, and as such deducted by Mr. Smith from his statement of the expenditure, he having included the same in his account of disbursements for that year, but which does not form any part of the Old Magistrate's state of disbursements. If I am right in these two observations, it will follow that the amount of the Old Magistrate's state of the City's expenditure from 1797 to 1798 should be 24,001*l.* 6*s.* 1*½d.* in place of 18,436*l.* 6*s.* 1*½d.* as he states it. I should add, that none

of the other statements of the Old Magistrate seem to be supported in the smallest degree either by the Town Council's statements or the City Accountant's certificate, which is very singular, as he tells us they are extracted from the Council Books.

The publication last in order deserves much attention, both on account of the very respectable authority on which it is published, as well as having the general result of its statements supported by the certificate of the City Accountant. Indeed this certificate seems to be the text to the whole pamphlet; yet there are several things in it very objectionable, independent of an error of 1302l. which Mr. Bruce has made, and which has not been corrected by the writers of the pamphlet. This error has arisen from stating the following articles against Mr. Smith, viz.

Owing on ale duty,	-	L. 73,000	0	0
— on life annuities,	-	30,000	0	0
— on Leith harbour,	-	2222	0	0
Overcharged on debt for the City				
Guard,	-	1706	14	8
Making together		L. 106,928	14	8

and not giving him credit for the difference between 29,422l. 12s. 1d. and 28,120l. 12s. 1d. due

on bond and promissory notes granted by the Chamberlain.

Mr. Bruce adds, that, from his knowledge of the Town's funds, and their growing increase, he has no hesitation in certifying, that the funds belonging to the City will not only be much more than sufficient for answering the *ordinary expenditure*, and also the interest of the debt due by the community with the annuities, but that it will also afford a sinking fund for payment of the principal. In this list he has omitted the article under the head of *extraordinary expenditure*, amounting, on an average of the last ten years, to above 4000l. per annum. Perhaps he includes this in some of the heads he has recapitulated, and I shall be happy, on his account, that it is so.

Mr. Bruce, in an Appendix to his certificate, brings forward certain funds of the Town, which Mr. Smith, he says, seems to have forgotten, viz. building areas in Charlotte Square, Dickson's Acres, &c.; and adds in a note, that *he is informed* the Trustees for the South Bridge will fully repay the community the money expended in purchasing the Luckenbooths. Now, I do not find that Mr. Smith gives any statements of the *City's stock*. Indeed he declares, in page 29. of his Address, that no person connected with the City can tell the amount of it; of course, this in-

formation, especially the hearsay part of it, does not apply to the matters at issue.

I shall now proceed to consider the Answer itself; and notwithstanding the very great respect I have for those Gentlemen under whose authority it is published, and the masterly way in which it is written, especially the introductory part of it, I have no hesitation in declaring, that I think it by no means corresponds to its title; for, in place of being an Answer to Mr. Smith's Address, it only answers, or rather replies, to a very small part of the matter contained in the Address, viz. what he states regarding the Town's debt, and a few remarks on some of the items which compose Mr. Smith's statement of the expenditure. But no notice is taken,

1st, Of the assertion in page 34. of the Address, that the Town's debt has increased from Martinmas 1797 to Martinmas 1798 in the sum of 12,373l. 3s. 2d.; a matter of most serious import indeed, and which, if true, militates against Mr. Bruce's evidence.

2^{dly}, Of the three queries put by Mr. Smith in page 29. of his Address.

3^{dly}, Of the account of the yearly increase of arrears due the City, which at Martinmas 1798 are stated at no less a sum than 8442l. 5s. 6³/₄d being an increase of 1564l. 9s. 0³/₄d. more than the highest arrears due while Mr. Buchan was Chamberlain.

Now, with regard to those parts of the Address which the Answers do reply to, the Town Council seem to admit that the City really owes 73,000*l.* as stated in the Address, and of course they in this contradict the Old Magistrate, who states the debt at only 59,500*l.* Why then deduct it from Mr. Smith's statement? Because the Town are able to pay their debts, does it follow they do not owe this debt? On this principle the whole debt now owing by the Town may be wiped off altogether, for I hope and trust the Town's funds are fully sufficient to pay off all their debts, there being nothing in the Address that leads us to suppose the contrary, although this is roundly asserted in page 25. of the Answers.

While on this subject, I should be extremely happy to see an historical account of the ale duty tax—the purposes for which it was at first granted—how far these have been fulfilled—what monies it has produced, with the application of these:—How the present debt of 73,000*l.* has been contracted—whether this debt was not lately attempted to be given in to the Legislature at a much greater sum, together with the affidavit on which the present act was granted—what was the reason that the sum of this debt was only mentioned in the enacting clause of the act, without being taken into the preamble, as is usual in similar cases—why a state of the receipt and ex-

penditure of the ale duty was not laid before you previous to the application for an act which imposes a local tax on you, in addition to those you pay in common with his Majesty's other subjects, amounting, as we are informed in page 14. of the Answers, to a sum considerably above 4150l. and which *must, from its very nature, increase rather than diminish.*

These are matters, my Fellow Citizens, which are of much more importance to us than the political disputes of the authors of these pamphlets, It is a matter of comparatively small importance who are our Magistrates, but it is of the utmost importance that the affairs of the City should be well managed, and the election is of importance only in so far as it leads to that point.

But to return to the Town Council's affairs—In page 19th it is stated, that 2222l. due on Leith Harbour has already been included in the sum of 28,120l. 12s. 1d. or rather 29,422l. 12s. 1d. I am therefore inclined to think Mr. Smith wrong in this sum, as well as in 1706l. 14s. 8d. of the debt due on City Guard; and that these two sums, making 3928l. 14s. 8d. should be deducted from the amount of his statement of the Town's debts.

The Answers find fault with Mr. Smith for adding the words, *exclusive of interest*, to his statement of the debt due to bankers, of 22,686l. while, at the same time, it is acknowledged that

interest on this sum is due since 30th June 1798; such being the fact, there is no room for taking offence at the expression.

* The Answers then proceed to blame Mr. Smith in terms rather illiberal, for stating 30,000*l.* as a capital sum owing by the Town on account of the annuities the Town is liable to pay, amounting to 335*l.* 1*s.* 8*d.* per annum.

Surely any man having annuities to pay, would, when making up a state of his affairs, set down the present value of such annuities as a debt against himself. Indeed, similar annuities are converted into *a capital* every day by annuitants wanting to raise money on such securities, as may be seen by the London and other newspapers.

Not knowing the ages of the persons to whom these annuities are payable, I cannot with precision calculate the value of them, but I should suppose the average amount to be under fifty years; call it fifty-five years, which seems to be the datum of the Old Magistrate, and it will be found by Dr. Price's Tables, that to a person who expects to be reimbursed his money with 5 per cent. interest, they are actually worth, at this moment, above 31,440*l.*; so that if Mr. Smith has made any mistake in this article, it seems to be in stating it at too low a sum.

The observation in pages 26th and 27th of the Answers seem to be well founded, and ought, for

the reasons therein given, to be deducted from Mr. Smith's amount of the expenditure, unless it shall be found, from the experience of a number of years back, that the average of articles similar to those in question, which, from the nature of things, must have occurred in the Town's expenditure, amount to a yearly sum equal to what is stated by Mr. Smith; in which case, it will be reasonable to continue them as they now stand.

There being no other notice taken by the Town Council of Mr. Smith's statements of the income and expenditure, I presume these Gentlemen, in so far as they regard such of these articles as they pass over in silence, acquiesce in their being fairly stated, of course the statements by the Old Magistrate do not require to be answered.

A BURGESS AND GUILD BROTHER.

On bond, for which the ale duty is appropriated.
Bond, and on the Chamberlain's promissory notes,
Due to bankers.

EXPENDITURE OF THE CITY, FROM MARTINMAS 1797 TO MARTINMAS 1798.

	Mr. Smith.	Old Magistrate.
Ministers stipends, precentors and schoolmasters salaries,	L. 3362 14 2 ³ / ₄	L. 3113 5 0
Annual salaries to Lord Provost, clerks and servants,	3215 10 1 ¹ / ₂	2345 0 0
Charitable purposes,	459 17 5	900 0 0
Land, cess, and feu duties,	1219 17 10	1297 13 4
College of Justice,	798 17 8	823 10 0
Warranted by Acts of Council,	1358 5 8 ¹ / ₂	920 8 3
Tradesmen's accounts chargeable on proper revenue,	1045 2 8 ¹ / ₂	833 0 0
Disbursements for public works, on account of the ale duty,	808 6 4 ¹ / ₂	750 0 0
Cleaning the streets,	552 1 1	320 0 0
Payments on account of the Extended Royalty, caulfeaway, &c.	3010 18 10	2130 0 0
Liferent annuities, exclusive of 928l. 19s. 1 ¹ / ₂ d. secured on Leith Harbour,	2422 12 6 ¹ / ₂	2422 12 6 ¹ / ₂
Lawnmarket communication,	600 6 6 ¹ / ₂	430 5 0
Preserving the public peace,	136 15 0	70 0 0 ¹ / ₂
Principal and interest of borrowed money (principal 4565l.)	5853 19 5 ¹ / ₂	3000 0 0
Incidental payments, including property purchased in the Luckenbooths,	3224 1 7	2940 0 0
Wester road to Leith,	94 13 1	42 3 0
New supply of water,	974 19 10 ¹ / ₂	563 0 0
	L. 29,138 17 2	L. 21,901 6 1 ¹ / ₂

N.B. Mr. Smith makes an error in his summation of 1¹/₂d.

The Old Magistrate ditto, 1000l.

Deficient on College, Dean of Guild, and Leith Harbour revenues,

Deduct of borrowed money,

-	1602 19 5	1100 0 0
L.	30,741 16 7	L. 23,001 6 1 ¹ / ₂
-	4565 0 0	4565 0 0
L.	26,176 16 7	L. 18,435 6 6 ¹ / ₂

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